

VITA Integration Cost Savings and Avoidance Report
(Updated for Baseline FY 05 - 10)

Initiative	FY 04 Savings	FY 05 Savings	FY 06 Savings	Six-Year Baseline Benefit
Voice and data telecommunications contract extension (ATM T-1 Circuits)	\$528,000	\$528,000	\$528,000	\$3,168,000
Conversion of Unix and Oracle contractors to full-time positions	\$132,000	\$132,000	\$132,000	\$792,000
Efficient tape technology stacking and replacement	\$173,000	\$108,000	\$108,000	\$648,000
Telecommunications MCI contract (COVANET)	\$1,542,000	\$3,085,000	\$3,085,000	\$18,510,000
Verizon contract renegotiation	\$0	\$4,675,000	\$5,861,000	\$33,980,000
Streamline 1-800 voice services	\$2,000	\$103,000	\$103,000	\$618,000
Streamline cellular usage	\$524,000	\$1,333,000	\$1,333,000	\$7,998,000
SAG software contract renegotiation	\$8,000	\$32,000	\$32,000	\$192,000
Sun server procurement	\$484,000	\$0	\$0	\$0
Virginia Partners in Procurement – Hardware and Software (Wave I)	\$12,098,000	\$14,576,000	\$14,576,000	\$87,456,000
Virginia Partners in Procurement – Computer Peripherals and Enterprise Storage (Wave II)	\$174,000	\$558,000	\$558,000	\$3,348,000
Subtotal, Savings	\$15,665,000	\$25,130,000	\$26,316,000	\$156,710,000

Initiative	FY 04 Cost Avoidance	FY 05 Cost Avoidance	FY 06 Cost Avoidance	Six-Year Baseline Benefit
Software Licenses	\$495,000	\$615,000	\$615,000	\$3,690,000
Server Acquisitions	\$380,000	\$380,000	\$0	\$380,000
Subtotal, Cost Avoidance	\$875,000	\$995,000	\$615,000	\$4,070,000
Total, Savings & Cost Avoidance	\$16,540,000	\$26,125,000	\$26,931,000	\$160,780,000

These figures included calculated savings from a variety of sources including, but not limited to, federal funds, state general fund dollars, and special funds. Savings associated with ATM T-1 Circuits, COVANET and cellular usage have been withdrawn from the agencies budgets in HB 2001.

Six-Year Baseline Benefit period covers three biennia, 2005 – 2010.

C:\Documents and Settings\rcatrow\Local Settings\Temporary Internet Files\OLK20\Updated FY05 - 10 VITA Cost Savings 10-12-04 for HAC.doc